Saving Bank Accounts, Kisan Vikas Patras (KVPs), National Certificates (NSCs) and Indra Vikas Patras (IVPs), came to light during October, 1996 involving a sum of Rs. 67,66,000/-. The case was not detected by the CBI but by the Postal Staff. However, the case has subsequently been handed over to the CBI for further investigation.

(b) A case of misappropriation of NSC/KVP amounts at Belgaum H.O. Karnataka came to light on 6.9.1996 involving loss to the tune of Rs. 37,31,860/- committed by NSC Counter Assistant.

(c) (i) The investigations by the Department and CBI are in progress.

(ii) Two officials in the case mentioned at (a) above and 5 officials in the case mentioned at (b) above have been placed under suspension.

(iii) The Chief Postmaster General, Karnataka has issued instructions for tightening of supervision and inspections.

(iv) Suitable Instructions have also been issued to all the Chief Postmasters General stressing strict adherence to the prescribed checks as per departmental rules and also to tighten supervision and vigilance to avoid recurrence of such frauds.

Rampant Corruption in the Appointment of Home Guards in U.P.

*289. SHRI BRATIN SENGUPTA: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that persons working in Home Guards Department in the country are not made permanent even after serving for several years;

(b) whether there is rampant corruption in the appointment of Home Guards on pic-and-choose basis particularly in Uttar Pradesh;

(c) whether Government propose to conduct a thorough inquiry into the whole matter and regularise the services of the persons serving for more than 3 years; and

(d) if not, the reasons therefor?

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA): (a) Home Guards is a voluntary force. There is no provision for making their services permanent.

(b) No, Sir.

(c) and (d) Do not arise in view of the reply to parts (a) and (b) of the question.

Distribution network of CSD

*290. SHRI JAYANT KUMAR MALHOUTRA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Canteen Stores Department through its distribution network has been selling products illegally manufactured by multi-national companies whereas these items are reseved for Small Scale Sector;

(b) if so, whether the Factory Registration of the multi-national company suppliers is checked to ascertain possession of valid licence to produce items supplied by them; and

(c) if not, whether it is not incumbent on the Ministry and its subordinate department to ensure that there is no violation of the law?

THE MINISTER OF DEFENCE (SHRI MULAYAM SINGH YADAV): (a) to (c) The Canteen Stores Department has been set up with the prime objective of providing household/consumer items at reasonable prices to the Defence Service Personnel posted throughout the country, including in far-flung and remote areas. To achieve this objective, CSD has to procure and sell items which are in demand from the troops. Denial to the troops of items which are available to the civil population results in dissatisfaction, and affects troop morale. It is for the Ministry/Department administratively concerned with the relevant industrial regulations to initiate action against companies or firms violating them.

Setting up free of cost Small Exchanges

*291. SHRI S. MUTHU MANI: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Mahanagar Telephone Nigam Limited, Delhi has offered to set up